

Mark-Up

HSC Regulation 200M Residential Care Facility (RCF) Methodology (12/02)

I. Residential Care. Definition.

All references to "Residential Care" and "Residential Care facilities" refer to facilities that meet the definition contained in Act 1238 of 1993, which states:

"(14) 'Residential care facility' means a building or structure which is used or maintained to provide, for pay on a twenty-four hour basis, a place of residence and board for three (3) or more individuals whose functional capabilities may have been impaired but do not require hospital or nursing home care on a daily basis
But could require other assistance in activities of daily living."

Residential Care facilities also include:

Any other facility, which meets the statutory definition regardless of licensure category or the existence of a licensure category.

II. Service Area will be the county.

III. Bed need will be determined by a Population Based methodology and a Utilization Based methodology.

A. Population Based

- 1.a. Numerical Formula. At 90% optimum occupancy the following number of RCF beds are projected by Age group:

Age Group	Beds per 1000
Under 65	.5545
65-74	2.3014
75-84	5.1090
85+	17.4996

Bed need will be projected five years forward each July 1st, e.g., in ~~1995~~ 2003
bed need will be projected for the year ~~2000~~ 2008.

- 1.b. An exception to the population based formula exists when occupied beds in all facilities in a county are 75% occupied by residents who are documented to be under the age of 65 years old. In this instance, beds in those facilities will not be counted in the county bed need.

2. Review Priorities. Applicants will be approved in the following ranked order:

- a. Applicants with high occupancy will have a priority for an increase of 10% or 10 beds whichever is greater. (For definition of "high" see "B. Utilization Based" below.)
- b. Applicants replacing "older" facilities will have a priority for a 20% increase.
- c. Applicants wanting to expand will have a priority for an increase of 5% or five beds whichever is greater.

The above priorities may not be combined i.e., an older facility with "high" occupancy will be eligible for either a 10% or a ten bed increase or a 20% increase but not both.

No additional beds will be approved for a county showing a need under the Population Based Methodology where:

- (1) there is a valid POA for the first RCF in the county which has yet to be licensed; or
- (2) if the county has had its first and only RCF licensed within the last calendar year. After the initial RCF has been licensed for six months, the Commission will review the situation and determine if additional beds will be approved for the county. ~~or~~
- (3) ~~the existing facility(ies) in the county is (are) operating at an average occupancy rate of less than 80.0% for the previous calendar year or the existing facility(ies) in the county is (are) operating at an average occupancy rate of less than 80.0% on the last date POA application forms may be submitted to the Agency in a quarterly review cycle. Even if existing facilities were not at 80% occupancy, during the previous calendar year, additional beds may be approved where there is a "net", or unmet, need which is equal to, or greater than, fifty percent (50%) of the county's projected need. Occupancy is defined as including any individual for whom the facility has agreed to provide room or board, or services or assistance, regardless of whether they are physically~~

~~present at the time the occupancy is counted.~~

3. The Commission may exceed "need", when a need exists and is less than ten (10) beds in order to approve one applicant for up to a ten (10) bed facility.

B. Utilization Based.

This methodology would apply in those service areas where a Population Based Need is not projected. Beds may be approved if:

1. a facility has had a "high" occupancy for the previous calendar year. "High" occupancy shall be at least an average of 85% for facilities of ten beds or less, 90% for facilities of 20 beds or less and 95% for facilities over 20 beds. Proof of occupancy will be based upon resident occupancy. Proof of occupancy is derived from the DHS, OLTC occupancy reported at the last two (2) site visits and is averaged with the occupancy reported on the site visit conducted by the HSPA. Occupancy is defined as including any individual for whom the facility has agreed to provide room or board, or services or assistance, regardless of whether they are physically present at the time the occupancy is counted.

Eligible applicants may be approved for a ten bed increase.

C. Unfavorable Review

- a. No Residential Care Facility will be awarded a permit of approval if the existing facility has had more than two (2) Class A or Class B violations pursuant to ACA § 20-10-205 in any inspection within the last 12 months preceding the date the application is placed under review or from the date the application is placed under review until the final decision of the Health Services Permit Commission.

IV. Act 1230 of 2001 Conversions

A. If a Residential Care Facility elects to convert any or all of its beds to Assisted Living beds:

1. The facility may, no later than twenty-four (24) months from April 24, 2002, apply to convert any of the Assisted Living beds originally converted from RCF beds back to RCF beds, subject to the provisions of section (IV)(B), below. Re-conversion from Assisted Living beds back to RCF beds shall not be permitted if applied for more than twenty-four (24) months after the effective date of this regulation. After the 24 month period, facilities that converted RCF beds to ALF beds and wish to reconvert to RCF beds, must apply for a POA. A facility shall have a maximum of six (6) months to complete Residential Care Facility Licensure.
2. Conversion of RCF beds to Assisted Living beds shall not reduce the RCF bed count in the county in which the RCF is or was located at the time of conversion under the

population-based methodology for the twenty-four (24) month period set forth in (IV)(A)(1), above. At the expiration of the twenty-four (24) month period set forth in (IV)(A)(1), above, the bed count for the county of which the RCF is or was located at the time of conversion shall be reduced by the number of RCF beds in the county that were converted to Assisted Living beds, and that were not converted back to RCF beds or that have not applied for conversion back, within the twenty- four month period permitted by this regulation.

B. Any RCF bed that is converted to an Assisted Living bed may be allowed to return to an RCF bed within 24 months of the effective date of this regulation without obtaining a new POA when:

1. The Assisted Living facility from which the beds will be converted is in compliance with all applicable state laws, and regulations of the Office of Long Term Care. For purposes of this section, compliance includes but is not limited to:
 - a. No outstanding or unpaid fines
2. The RCF to which the beds will be converted is in compliance with all applicable state laws, and regulations of the Office of Long Term Care, including but not limited to performance of any corrective actions, or payment of any fines or sanctions, imposed against the facility by the Office of Long Term Care prior to the conversion of any or all of the RCF's beds to Assisted Living beds.
3. The entity or facility wishing to return Assisted Living beds to RCF beds must submit a written request to, and receive written approval from, the Agency prior to the conversion